

"Steel Wire and Wire Products for America and the World"

801 North Fairfax Street, Suite 211 Alexandria, VA 22314-1757
Phone: 703-299-4434 Fax: 703-299-9233
e-mail: info@awpa.org
Kimberly A. Korbel Executive Director

September 24, 2004

Mr. Kelly Parkhill Director for Industry Support and Analysis Import Administration **US** Department of Commerce Room 3713 14th Street and Constitution Avenue NW Washington, DC 20230

> Re: Steel Import Monitoring and Analysis (SIMA) System

Dear Mr. Parkhill:

These comments are submitted on behalf of the American Wire Producers Association (AWPA) regarding the Department's Steel Import and Monitoring Analysis (SIMA) system. The Department requested comments in its Federal Register notice on August 25, 2004 (69 Fed. Reg. 52,211).

The AWPA is a trade association of US manufacturers of carbon, stainless and other alloy steel wire and wire products. Its 86 member companies operate 156 plants in 33 states, employing more than 21,000 American workers. AWPA members include most of the wire rod mills in the United States as well as Canadian and Mexican producers of wire, wire products, and wire rod. Altogether the American wire and wire products industry accounts for sales in excess of \$9.8 billion annually.

The AWPA respectfully urges the Department to: (a) continue the SIMA system with its coverage of stainless steel wire (HTS 7223) and stainless steel wire rod (HTS 7221 and 7222) and (b) improve its effectiveness by extending coverage to include the following categories of steel products:

- Carbon and alloy steel wire (HTS 7217 and 7229) (1)
- Steel wire strand, rope, cable, etc. (HTS 7312) (2)
- Barbed wire (HTS 7313) (3)
- Steel wire cloth, grill, netting and fencing (HTS 7314) (4)
- (5)Steel wire nails and staples (HTS 7317)
- Steel wire garment hangers (HTS 7326.20.0020) (6)
- Carbon and alloy steel wire rod (HTS 7213 and 7227). (7)

Mr. Kelly Parkhill US Department of Commerce September 24, 2004 Page 2

Since its implementation in connection with the safeguard remedies on certain steel imports, the SIMA system has provided accurate and timely information on imports of covered steel products. The AWPA has found the system to be an effective means of monitoring and analyzing imports of stainless steel wire and wire rod. With the termination of the safeguard measures, the AWPA believes that the SIMA system can be improved by extending its coverage to other steel products, such as carbon and alloy steel wire and wire rod and carbon, stainless and other alloy steel wire products. With timely and reliable information from the SIMA system, American wire producers can react more quickly and meaningfully to changes in import trends, volumes and/or sources. Such information would be invaluable in competing in the global steel market.

The AWPA notes that manufacturers of steel wire and wire products are an integral part of the American steel industry. They consume between six and seven million tons of steel wire rod annually, and they ship their products to customers in the aerospace, agricultural, automotive, construction, medical, and transportation industries as well as directly to American consumers. The American Iron and Steel Institute (AISI) lists wire and wire products in its AIS product categories, and AISI's monthly import reports also cover these products. During the OECD steel subsidy negotiations, a consensus was reached that wire and wire rod should be covered by any eventual agreement, while the United States and others have pressed for the monitoring of wire products.

The AWPA is grateful for the opportunity to submit these comments for the Department's consideration, and it asks the Department to extend the SIMA system to cover the products made by this important part of the American steel industry.

Very truly yours,

H. O. Woltz, III, Insteel Industries Inc.

President, AWPA